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June 21, 2005

05-209

Marlene Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

JUN 2 2 2005

Federal Communications Commission Office of the Secretary

WC Docket No. 05-209; Application to Transfer Control of California-Oregon Re: Telecommunications Company and Subsidiaries that Provide Interstate Interexchange Telecommunications Service in California

Dear Ms. Dortch:

In response to requests from the Commission's staff, Applicants Shareholders of California-Oregon Telecommunications Company ("COTC" or "Transferor"), and Lynch Telephone Corporation XI ("Lynch XI" or "Transferee"), a holding company subsidiary of Brighton Communications Corporation, which is wholly-owned by Lynch Interactive Corporation ("Lynch"), a telecommunications holding company, provide the following additional information with respect to the domestic Application for Consent to Transfer Control, filed June 7, 2005.

- 1. Description of services offered by Cal-Ore Long Distance, Inc. ("COLD"): COLD is a reseller of long distance service to business and residential customers in Dorris, CA; Macdoel, CA; Tulelake, CA; and Newell, CA.
- 2. Other businesses owned by COTC: California-Oregon Telecommunications Company is the parent company of Cal-Ore Telephone Co.; Cal-Ore Long Distance, Inc.; Cal-Ore Cellular; and Cal-Ore Wireless.
- 3. Description of COTC's ownership: Robert H. Edgar and Marion A. Edgar, as trustees of the Edgar Family Revocable Trust, hold 57.3% of the total issued and outstanding shares of preferred stock of COTC. The following shareholders each hold 10.6% of COTC's issued and

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outstanding shares of preferred stock and 25% of the total issued and outstanding shares of common stock of COTC: (1) Elzy Joe Graham and Susan M. Graham, as Trustees of the Elzy Joe Graham and Susan M. Graham Trust of 1997; (2) Robert W. Edgar; (3) Brian H. Edgar; and (4) Scott N. Edgar and Tanya L. Edgar, as Trustees of the Scott N. Edgar and Tanya L. Edgar 2002 Revocable Trust. Each share of preferred stock and each share of common stock has one vote. As a result, Robert H. Edgar and Marion A. Edgar, as trustees of the Edgar Family Revocable Trust hold 55.5% of the voting shares of COTC. The shareholders and trustees are all U.S. citizens. No other person or entity holds a 10% or greater interest in COTC. The address for all shareholders and trustees is: P.O. Box 847, Dorris, California, 96023.

- 4. Names of the fourteen independent rural ILECs owned by Lynch: (1) Bretton Woods
 Telephone Company, New Hampshire; (2) Central Scott Telephone Company, Iowa; (3) Central
 Utah Telephone Company, Utah; (4) Cuba City Telephone Exchange Company, Wisconsin; (5)
 Belmont Telephone Company, Wisconsin; (6) Dunkirk & Fredonia Telephone Company New
 York; (7) Skyline Telecom, Utah; (8) Haviland Telephone Company, Kansas; (9) InterCommunity Telephone Company, LLC, North Dakota; (10) J.B.N. Telephone Company, Kansas;
 (11) Upper Peninsula Telephone Company, Michigan; (12) Western New Mexico Telephone
 Company, New Mexico; (13) Bear Lake Communications, Inc., Utah; and (14) Cassadaga
 Telephone Corporation, New York.
- 5. <u>Statement with respect to exhibits</u>. The Applicant clarifies that there is no Exhibit "B" to the Application.
- 6. Request for Streamlined Processing. Section 63.03(b)(iii) provides for streamlined treatment of an application for transfer of control over a domestic 214 authorization if (a) the transferee will have a market share in the interstate, interexchange market of less than 10

percent, (b) the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and (c) applicants are incumbent independent local exchange carriers that have fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.

After the transaction, Lynch XI will have a market share in the interstate, interexchange market of less than 10 percent. Lynch XI does not currently provide competitive telephone exchange services or exchange access services. COTC and Lynch IX have fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas are implicated by the subject transaction.

The Commission has found that "combinations involving incumbent independent LECs with fewer than two percent of the nation's subscriber lines raise less significant public interest concerns than those in which one of the parties is a larger incumbent independent LEC." The Commission also has determined that such transactions are unlikely to raise public interest concerns if the applicants do not actually compete in each other's local exchange area and do not have incumbent local exchange areas that are adjacent to each other. Thus, the instant transaction should be presumptively processed on a streamlined basis.

Furthermore, the Commission has declared that <u>all</u> applicants are eligible for streamlined treatment regardless of whether they fit into one of the categories that are presumptively entitled to such treatment. Specifically, the Commission applies "a general rule in which all applications

See Implementation of Further Streamlining Measures for Domestic Section 214
Authorizations, 17 FCC Rcd 5517, 5534 at ¶32 (2002) ("Streamlining Order"). See also
ALLTEL Corp., Petition for Waiver of Section 61.41 of the Commission's Rules and Applications
for Transfer of Control, 14 FCC Rcd 14191, 14195 (1999)

See Streamlining Order, 17 FCC Rcd 5534 at ¶32.

are eligible for streamlined processing, and certain categories of applications are presumed up front to be entitled to streamlined processing, is the one that best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that we continue to serve the public interest under section 214 of the Communications Act."³ This application should be given streamlined treatment because it involves a simple transfer of control to a party that does not otherwise provide telecommunications service in the state of California. Transferee will continue providing service with all of the property, rights, privileges, powers and franchises that COTC held in California to provide local exchange, exchange access, and interexchange service prior to the transfer. No customer will lose service or be adversely affected as a result of the transaction. Thus, the transaction raises no competitive or public interest concerns and this application should be afforded streamlined treatment.

See id., ¶34.

Respectfully submitted,

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Company

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Dated: June 21, 2005

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